

OCA 88-2410
19 July 1988

MEMORANDUM FOR: Director of Personnel

FROM:

Office of Congressional Affairs

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SUBJECT: Parental and Medical Leave Act (S.2488)

1. It looks like we have lost the battle to have S.2488 amended to exempt the Agency from the reporting requirement to the Commission. You will recall that after conversations with the Office of Personnel and the Directorate of Operations we backed off trying to change the entitlement to leave and entitlement to the same job following leave because of the small class of Agency people affected and because we would have to go public with examples. Attached is a copy of all the changes we originally sought to the bill.

2. A week before Committee markup, Kris Iverson, a staff member from the Education and Human Resources Committee, agreed that she would persuade Senator Hatch to introduce an amendment which would have the effect of protecting classified information from disclosure to the Commission. I also talked with Britt Snider, SSCI Counsel, and to Larry Kettlewell, Senator Hatch's designee on the SSCI. Both agreed with our position, and Kettlewell indicated he would talk with Hatch's people on the Education and Human Resources Committee lending his and the Committee's support to our amendments.

3. ~~None of the promises were acted on.~~ Iverson reported, after the markup, that the Democrats would not tolerate an amendment for the Agency unless there could be a public discussion or unless we had reached an informal agreement with the Democratic Members. Kettlewell just failed to live up to his commitment. When I asked him why, he explained that after some additional thought and conversation with Britt Snider, they concluded that the reporting requirement was not that detrimental to our interests. This is the third time Snider has refused to act on our concerns about reporting personnel data to various external organizations.

4. The prospects for getting relief are dim at this point. Iverson says we will have to get the Democrats support before Hatch will be able to take any action on the Senate floor. This means we will have to convince Senator Dodd,

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Chairman and ranking Democrat on the Education and Human Resources Committee, ask Boren and [] to speak with Dodd and get Senator Metzenbaum (D,OH), a Member of the both the Intelligence Committee and the Education and Human Resources Committee, to support our position--a difficult task.

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5. After a meeting with John Helgerson, Director of Congressional Affairs, we decided the change sought does not merit this intensity of effort. We need to preserve our influence for legislation which would have a more serious and harmful effect on Agency interests.

6. There is the possibility that S. 2488 may never reach a Senate floor vote. It is strongly opposed by the business community. The House has failed to get the companion bill (H.R.925) up to a floor vote largely because of the concerns by private industry. The Administration strongly opposes it. Time is short--Congress hopes to adjourn by 8 October.

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Attachment:
As stated

cc: DDA
DD/CAP/OP
D/OCA
OCA/LD []
Comptroller
DA/MS

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Labor

Outlook Improved for House Bill:

Senate Committee Approves Parental-Leave Legislation

A measure requiring federal and private employers to grant their workers unpaid parental and medical leave picked up steam the week of July 11.

The Senate Labor and Human Resources Committee July 14 approved, 11-5, a far-reaching bill (S 2488) that would allow parents of newborn or newly adopted children to take up to 10 weeks off from work without pay. The bill would also allow limited leave for a parent whose child becomes seriously ill and for an employee who contracts a serious disease.

While no date has been set for full Senate consideration, Christopher J. Dodd, D-Conn., the bill's sponsor, has said he anticipates the Senate will vote on the measure before adjournment in October.

A companion House bill (HR 925) also shows some signs of life. The measure had been on the back burner since it was approved by the Education and Labor Committee last November and by the Post Office and Civil Service Committee in February. Norman Y. Mineta, D-Calif., reported July 14 that Speaker Jim Wright, D-Texas, has agreed to bring HR 925 up on the House floor Sept. 14. Mineta was appointed by the Democratic leadership to coordinate strategy on the bill. (*Weekly Report* p. 266)

Cosponsor Patricia Schroeder, D-Colo., admitted that the parental-leave measure "has been off track a couple of times," but said, "It's all on track now."

Provisions

As approved by the Senate committee, S 2488 would require companies to give eligible employees up to 10 weeks of unpaid leave within a two-year period.

In addition to new parents, the bill originally allowed leave only for those with a sick child under 18. But the committee agreed by voice vote to

expand that provision to include children who are 18 or over but are unable to care for themselves because of a mental or physical handicap. The modification was offered by Lowell P. Weicker Jr., R-Conn.

S 2488 would also allow workers who become seriously ill to take up to 13 weeks of unpaid leave in one year.

While a worker was on leave, the employer would be required to maintain health-insurance payments. But all other job benefits, such as pension-plan contributions and seniority, would be frozen.

The committee adopted by voice vote a Strom Thurmond, R-S.C., amendment requiring on-leave workers to keep their employers apprised of their intentions to return to work.

Upon returning to work, an employee would have to be reinstated into his old job or offered an equivalent job.

Companies with fewer than 20 workers would be exempt from mandated parental leave. In addition, a worker would become eligible for the benefit only after a full year, or 900 hours, on the job.

S 2488 is similar in most respects to the House parental-leave bill. But the House bill includes more time off — 15 weeks — for personal sick leave and a higher small-business exemption. Only companies with 50 or more employees would be covered by HR 925 during the first three years. The threshold would then be lowered to those with 35 or more workers.

But the bill is significantly scaled back from the measure first introduced by Dodd Jan. 6, 1987. That bill (S 249) would have provided up to 18 weeks of unpaid leave over two years in the event of childbirth, adoption or a seriously ill child. And it would have allowed workers up to 26 weeks a year in medical leave.

After a year and a half, and three subcommittee hearings, Dodd June 8 introduced his compromise bill, which

has garnered bipartisan support. In fact, 26 senators — 19 Democrats and seven Republicans — cosponsored the measure. (*Weekly Report* p. 1630)

Opposition

Despite changes, the bill is still strongly opposed by the Reagan administration, business groups and conservative senators.

Thurmond argued that mandating such benefits would take away the flexibility companies have in responding to marketplace changes.

"It will have a discriminatory impact on those it tries to help," he added. "When faced with equal applicants, the employer will hire the one who doesn't need the benefits."

Dan Quayle, R-Ind., asked, "Is this for the yuppies? Are poor people going to take unpaid leave?" Low-income people may not be able to afford to take unpaid time off from work.

Quayle unsuccessfully tried to limit the bill to maternity leave. A Quayle substitute, which the committee rejected 4-10, would have made it unlawful for an employer to refuse a woman who is pregnant or has recently had a child to take up to four months off from work. Employers with less than 25 workers would not be covered. The substitute did not provide for medical leave, continued health benefits or job reinstatement.

A Dodd aide praised Quayle for at least "crossing a philosophical threshold" by requiring the federal government to mandate even a limited benefit.

Business groups, such as the National Federation of Independent Business, argue that a parental-leave policy will be too costly for many companies.

The principal cost associated with the bill is that of continued health insurance. The General Accounting Office (GAO) estimates S 2488 will cost less than \$194 million annually. The original bill would have cost some \$500 million, according to GAO. In comparison, the House bill would cost \$188 million annually with the 50-worker threshold, and \$212 million when the threshold is lowered to 35 workers.

Only 12 percent of all companies — and 47 percent of all workers — would be covered by S 2488.

—By Macon Morehouse